

State of Connecticut House of Representatives

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE DAVID BARAM FIFTEENTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING ROOM 5006 HARTFORD, CT 06106

HOME: 860-243-3041 CAPITOL: 860-240-8585 TOLL FREE: 800-842-8267 E-MAIL: David.Baram@cga.ct.gov

January 3, 2012

Senator John Fonfara Legislative Office Building Room 3900 300 Capitol Ave Hartford, CT 06106

Dear Senator Fonfara,

In November 2011 I issued a statement calling for various reforms in the regulation of utilities, resulting from the horrendous responses to Hurricane Irene and Storm Albert (which I have enclosed). I am forwarding my proposals to you in hope that your Committee will see fit to raise such legislation. The CL&P response in towns like Bloomfield was outrageous, negligent, and inept. I hope that the following legislative initiatives will create standards that improve service and planning.

In addition to recommendations for new power standards and penalties, I propose that penalties include reimbursements or credits to rate payers of utility companies which do not meet legislatively created benchmarks for power restoration. I endorse Speaker Donovan's call for fines of 2.5% of transmission and distribution revenues for the prior year, but suggest a portion be returned to the rate payers.

To avoid gas lines and the closure of gas stations, I also propose that new gas stations be required to have back up generators, and that existing stations be required to obtain generators over a 2 year period. I would also favor a tax credit to assist gas stations in such purchases.

I propose that utility companies be required to pay outside linesmen within 30 days, unless there is a legitimate compensation dispute, to prevent outside linesmen and contractors from declining work in Connecticut due to lack of prompt payment.

VICE CHAIR GENERAL LAW

MEMBER
JUDICIARY COMMITTEE
BANKS COMMITTEE

Emergency plans should be required on a yearly basis, which address the following issues: tree trimming, priority status for restoration of certain establishments (i.e. gas stations, hospitals, nursing homes, grocery stores, elderly complexes and medical facilities), contingency plans for outside contractors, mutual aid pacts, communication plans, and specific disaster relief strategies. These plans should go through a review process that requires approval, not just routine filing.

Municipalities should be given authority to hire their own linesmen, tree cutters, and electricians, to assume restoration responsibilities if the utility fails to meet mandated restoration benchmarks. The utility would then be responsible for reimbursing the municipalities for these services.

I also hope that long range planning can begin to discuss opportunities for new initiatives such as: promoting municipal electrical generation, localizing electrical distribution instead of relying upon huge regional substations and grids, replacing aged poles and wires, investigate underground utilities in targeted priority areas, and looking at promoting competition so that the utilities will compete to modernize and provide improved services.

Lastly, I am asking Attorney General Jepsen (by copy of this letter), to intervene with the Public Utilities Regulatory Authority, in the proposed merger of CL&P and NStar of Massachusetts, to make sure that Connecticut consumers are adequately protected against excessive rate increases and inadequate service, planning and maintenance.

Thank you again for considering my concerns. I hope that your Committee will propose legislation to address the above enumerated concerns. Wherever I travel, people identify utility regulation as a top priority. I believe that it is incumbent upon the Legislature to make the necessary legislative reforms that will prevent these problems from arising in the future.

Very truly yours,

David A. Baram State Representative

Enclosure



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Representative Vickie Nardello Legislative Office Building Room 3902 300 Capitol Ave Hartford, CT 06106

Dear Representative Nardello,

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January 3, 2012

Attorney General George Jepsen 55 Elm Street Hartford, CT 06106

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In The News

State Representative David Baram

Serving the 15th Assembly District - Bloomfield & Windsor

HOUSE DEMOCRATS of CONNECTICUT

November 3, 2011

REP. BARAM SEEKS REBATES FOR CUSTOMERS IF UTILITIES UNDERPERFORM IN STORMS

Ramps Up Calls For Service Standards During Power Failures

State Representative David Baram (D-Bloomfield, Windsor) Thursday urged legislators to consider measures that go far beyond already proposed standards and penalties for power restoration after storms and other devastating events.

"I wholeheartedly endorse the call yesterday by House Speaker Chris Donovan and Rep. Vickie Nardello for new power restoration standards and penalties, but we need to go much farther and directly compensate the people who have suffered financial damages as a result of utility companies failing to live up to reasonable expectations," Baram said.

"Lives have not only been disrupted but also put at risk because of the way utility companies have handled these emergencies," Baram said. "In just the last three months, we have had two devastating storms, not to mention an earthquake, that have dramatically altered people's lives and businesses."

Baram said he supports Donovan's proposed legislation seeking fines of 2.5 percent of utility company's transmission and distribution revenues for failing to meet standards, but said part of the fines should be used to directly compensate utility customers who suffered damages.

"I'm proposing that a portion of the fine be allocated to reimburse ratepayers a certain percentage of their bill to help offset costs incurred in lost food, medical assistance, alternative housing and removal and repair of damage to property. Perhaps a rebate or credit back to homeowner on their utility bill," Baram said.

"And not only should there be standards for service restoration, but also we should have a detailed priority plan for reconnecting customers. And we need legislation requiring the state Public Utilities Regulatory Authority to take a more aggressive stance for the consumer on utility matters," Baram said.

Baram said he was frustrated and upset by Connecticut Light & Power Co.'s treatment of Bloomfield and Windsor. He said there were only two restoration crews in Bloomfield Wednesday but they were diverted to Simsbury. This was contrary to representations made to Rep. Baram that 15 crews were being assigned to

Bloomfield that day. CL&P representatives told Baram the crews either did not show up or were diverted to other towns, Baram said.

"Bloomfield and Windsor have not received the service that should have been given," Baram said.

"I will be submitting legislation to require utility companies to file yearly emergency plans, including the number of contracted linemen and information on reciprocal aid agreements with other states and countries. I also want to require them to pay outside linemen used for emergency repairs within 30 days from date of billing," Baram said.

"Municipalities also should be granted authority to hire linesmen, tree cutters and electricians to assume responsibility if the utility does not meet its benchmarks and those costs would be paid by the utility company," he said.

"The emergency plans should provide that hospitals, senior complexes, nursing homes, medical facilities, gas stations and grocery stores be given priority," he said. "And towns with highest number of seniors should be given a higher priority."

"I also will be asking state Attorney General George Jepsen and the Public Utilities Regulatory Authority to intervene in the proposed merger of CL&P and NStar in Massachusetts to make sure Connecticut consumers are adequately protected against excessive rate increases and ensure adequate service.

"Despite the poor performance of CL&P, the towns of Windsor and Bloomfield have done an admirable job of providing shelter and assistance to their residents," Baram said.